MINDING HER OWN BUSINESS

A Study on Self-Employment in Manitoba

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INDEX

		Page No.
I	Introduction	1
II	Interviews with Four Self-Employed Women	2-6
III	Results of Research on Entrepreneurs in Manitoba	7-22
	1. Introduction	7
	2. Why Do People Start Their Own Business?	8
	3. What are the Satisfactions in Being Self-Employed?	9
	4. What Contributes to the Successful Operation of a Small Business?	10-12
	5. How Is Success Defined?	13-15
	6. The Challenges of Self-Employment	16
	7. Families: Are They a Help or a Hindrance?	17
	8. How Many Hours Do Entrepreneurs Work? And For How Much?	18
	9. What Does It Cost to Start a Small Business?	19
	10. How Important is Family Background?	20
	11. Conclusion	21
IV	Steps to Starting Your Own Business in Manitoba	22
V	For More Information	23-24
	List of Books Available on Self-Employment	

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We would like to acknowledge the help we received in the preparation of this report from Moira Chapman, Heather Brown, Wayne Taylor and Brian Taylor. Our thanks go to the 100 men and women who answered the survey or were interviewed, and who took the time to pass the knowledge and experience that they have gained on to others.

I INTRODUCTION

"Minding Her Own Business" is a study of self-employed people in Manitoba, intended to be a guide for women who may be interested in starting their own businesses. The study was funded by Secretary of State in December 1983 and was presented at a conference in November 1983, entitled "Focus on Women".

Why study self-employment? Our changing economic environment has required career adaptation for many women. This is a time when creative responses to a changing job market are required. One such response during difficult financial times has been for women to begin marketing their talents, abilities and services through their own self-employment ventures.

Self-employment offers satisfactions not evident in employee/employer relationships. This study presents the viewpoints of 100 women and men in Manitoba who own and operate their own businesses. In their responses to the questionnaire and interviews, they have shared their experiences in running their own businesses. By learning of the successes of <u>others</u>, it may be possible to view new possibilities for <u>ourselves</u>. The purpose of this report is to introduce a range of possibilities in the area of self-employment and to offer a perspective on the factors which are likely to influence success as an entrepreneur. We will also provide some assistance in taking the first steps toward exploring self-employment as a personal option.

Most employment in Canada is the result of the initiative of small business-persons. The Department of Small Business and Tourism reports that 97 percent of the one million companies in Canada are small businesses. They employ 42 percent of the labour force (6.4 million jobs) and are responsible for 75 percent of all new jobs created in the country.

It is our hope that this research will assist women in Manitoba in determining whether or not they are suited to a satisfying and successful career among the ranks of the self-employed.

The Human Development Center of Winnipeg, a private consulting and training organization conducted this research with the assistance of the University of Manitoba, Faculty of Administrative Studies, and 100 self-employed Manitobans. The Human Development Center is owned and operated as a small business by Beverly Suek and Joanne Haynes, who originated the idea for this study.

Section I introduces the study.

Section II begins on the following page and contains four case studies of women from diverse lifestyles who have started their own businesses. They openly discuss what self-employment has meant for them and offer encouragement and advice to others who may be considering self-employment as a future career path.

Section III is a report of the mail survey of 100 self-employed persons. It deals with their responses to a wide range of questions about their experiences in operating their own businesses and draws some conclusions about factors which contribute to success in self-employment.

Section IV is a step-by-step guide to getting started in creating your own business.

Section V lists books locally available which contain a wealth of information on the specifics of entrepreneurship.

II INTERVIEWS WITH FOUR SELF-EMPLOYED WOMEN

Personal Glimpses: Interviews with Successful Self-Employed Women

* * *

"N.S.Y.A.T. - Never say you are tired. You can talk yourself into being tired, and you can talk yourself out of it.".

- Dorothy Ewing
THE CANDLE SHOP

"I wanted to use my brain-power for myself for once. I wanted to prove I could do it!"

- Christine Thiessen
FREELANCE MASSAGE THERAPIST

"I don't do what I do to impress someone else. I do it for me. I don't go by somebody else's rules. I talk to myself: "Don't ever say you can't do it Vicki"."

- Vicki Shane
RAGGEDY-ANN NURSERY

I have always thought "I have a right to my place in the sun"."

- Lillian Whiteside
WHYTEWOLD SHOPPING CENTRE

INTERVIEW #1: Dorothy Ewing - THE CANDLE SHOP

A visit with Dorothy Ewing at the Candle Shop on Stafford Street dispells the image of the harried, overworked store owner. Her personal qualities of graciousness, poi[illegible] and calm are reflected everywhere in her enterprise, from the window displa[illegible]s to the home-baked treats around the tea pot in the back room.

Dorothy had worked for others for 25 years in increasingly responsible positions. A single person, she spent much of her free time caring for aging family members. Suddenly, she found herself with time on her hands; she was ready for a new challenge. She examined several options and decided to buy into an existing business as a partner. That was 12 years ago and the shop is still thriving. Becoming a partner with an established businessperson can be difficult. Dorothy reflects on this experience: "There is no such thing as a senior partner. You are either partners or you aren't." Since her partner's retirement six years ago, she has operated as a sole proprietor. She enjoys running the shop alone. "There is a certain satisfaction in being able to use your own judgment and see the results. I find it is easier to make decisions alone."

Success Factors:

- A solid base of experience in business gained while working for others.

- Seeking and taking sound legal and accounting advice. Good record keeping.

- Early training in the home as a self-reliant person. Parents who taught a sense of personal worth, a belief in one's abilities to succeed.

- Conservative spending. "Order small amounts -- don't spent more than you have, or know you'll have coming in."

- An experienced mentor. "A person with your best interests at heart. Someone you can count on for understanding, to bounce ideas off."

- Seeing employees as people who work with -- not for -- you. Creating a team of cooperative co-workers, not a boss/worker hierarchy.

- Offering customers "something extra". In her case, this means gift selection and gift wrapping assistance -- whether the customer is a child with 50 cents or an adult with several hundreds of dollars to spend.

- ENERGY. Near the cash register, a sign reads: "N.S.Y.A.T" A constant reminder, NEVER SAY YOU ARE TIRED. "You can talk yourself into being tired, and you can talk yourself out of it!" Create positive expectations.

Beyond the Paycheque:

Would Dorothy consider working for someone else again? "No, never! I am past that stage", she replies. Pride and satisfaction are apparent as Dorothy talks about the rewards for her in being self-employed. One such reward is keeping pace with change. There is always something new to tackle and learn from. She speaks fondly of the relationship with those who work with her (her employees). But perhaps the most significant reward is the service she provides to others. Her shop is a meeting place in the neighborhood. It is a place to exchange information, a clearinghouse. Is it any wonder she's smiling?

INTERVIEW #2: Christine Thiessen - MASSAGE THERAPIST (FREELANCE)

Christine's energy and enthusiasm flow through her hands as she works soothing tired, aching muscles in the two establishments where she contracts her services as a massage therapist. "People know more about massage today; it is starting to take hold," she says with a smile. Getting her own business underway in this field was no bed of roses, however. "Massage Parlors" offer services quite different from those of a massage therapist. This stigma Christine was not entirely prepared for as she began her new career, after training in Arizona. "Getting the license was the most embarrassing thing. A check is run to make sure you don't have V.D.; you are photographed and fingerprinted at the police station."

The desire to succeed dwarfed the problems of establishing herself as an entrepreneur. Christine made a list of potential business markets for her services. She was hired on the second call.

Often a life change provides the impetus for starting a new employment venture. Such was the case for Christine when her marriage of 24 years came to an end. "All my married life I'd had good business ideas -- but my mate would never use them. I wanted to use my brain-power for myself for once. I believe that's why the ideas keep coming and coming -- just to prove I can do it! I had to get back to work. That's when I tried it." She said, "I'll give this thing one year; if I can't make it go, I'll let go of it." She now has ideas for several other types of businesses she may one day operate. Being her own boss suits Christine Thiessen to a tee.

Success Factors:

- Extensive experience in organizing time and resources, gained as a wife and mother for over two decades.

- Patience and realistic goals. She gave herself time to become established.

- Supportive friends. "I have friends who will listen to my story, my problems, umpteen dozen times and not give up on me while I find my own answers."

- Dreams and vision which Christine expresses in a never-ending flow of ideas which give life to her labours.

- A sense of humor and optimism. "As long as you can keep laughing about your problems, you've got them licked."

Beyond the Paycheque:

Speaking of the sense of personal freedom she has gained, Christine says: "I used to be so worried. What do people want from me? What am I supposed to be? It's a long time to be devoted to five kids and a husband. I'd changed so many times in the 24 years I was married, I didn't know who I was. Now I feel that I'm my own person."

Her advice to others? "Just go after it!"

INTERVIEW #3: Vicki Shane - RAGGEDY-ANN NURSERY

Vicki Shane's love of children and her desire to keep learning and growing as a person led her to purchase a day care/nursery school where she had once been a part-time employee. Her vitality is obvious as she talks about the challenges of combining her roles as an entrepreneur/wife/mother. "We were both used to being the boss at work -- once when I rushed to be the first one to empty the garbage, it struck me. What am I trying to prove? Am I competing with my husband? I was really trying to prove I could do it all with the same standard of efficiency I had set for my business." That awareness helped Vicki put things back into perspective. "Giving orders to a child might work sometimes, but to an employee or, worse yet, a spouse -- never. Family cooperation has a lot to do with your presentation. This is true in all relationships, including friends and employees." She has learned to include her husband in her business by asking him for his ideas and support. "I ask him what he thinks, and try to listen. I couldn't do this if I was determined to always do it my way on my own."

Vicki sees this generation as breaking new ground as successful businesswomen. She hopes she is setting the example for her daughters, "you can be successful at anything you love doing, if you go after it and learn from your mistakes." Vicki believes that attitude determines whether you are a failure or a learner. She feels that women can have it all -- successful business, home and family life.

Success Factors:

- Respect for time. "You can't work for yourself and be a clock-watcher. A job takes as long as it takes."
- A sense of self. "I don't do what I do to impress someone else. I do it for me. I don't go by somebody else's rules. I talk to myself: "Don't ever say you can't do it Vicki"."
- A healthy view of mistakes. "What if I blow it? I certainly won't blow the whole thing. It's like tripping over something you didn't see there; you get up, brush yourself off and go on.
- Knowing when to change directions. "If you try something and you don't like it, it's important to say it. Learn from your mistakes. You can take a lot of factors into account next time that you didn't the first time around. It's what you do with your mistakes that counts."
- Grounded, yes. Rigid, no. "Be organized but expect the unexpected; don't let it throw you." A leg injury kept Vicki off her feet for several months. She found creative ways to cope with this, without crumpling.
- Financial planning. "Think about how much you need to make. Is it a side line or are you supporting someone? Where are you going to get the money? How much do you want to put into this? How much do you want to get out of this?"

Beyond the Paycheque:

"At times my staff make more than I do. I have no benefits or unemployment. And I haven't had a raise in ten years! But how many people love what they are doing? I do." Vicki had the opportunity to expand and make big money. "I had to stop and think, what is this going to give me? Do I still need to prove something more? Is it pride, ego? I can take just as much pride and satisfaction from running one nursery well as I can from running five. I would lose the personal contact I have with the parents and the children. I can give myself better this way. I need my family and they need me more than either of us need the money. I'm happy, that's what counts!"

INTERVIEW #4: Lillian Whiteside - WHYTEWOLD SHOPPING CENTRE

The decision to leave a fast-paced, big city lifestyle in favour of a more serene rural pace led Lillian Whiteside and her husband Al to purchase a small country store in Whytewold, Manitoba. The pressures had been building from the outside and from within themselves before the move. Al, an active sales representative for a large company, had suffered a heart attack and was experiencing stress related problems. Lillian had reached a transition point, from being a busy wife and mother to new freedoms; a need to let go of her children as they grew up. Lillian reflects on this: "I have always thought, "I have a right to my place in the sun"." Their goal, beyond finding an income producing venture, was a more satisfying lifestyle.

What were the challenges they faced in establishing a husband-wife business partnership? Lillian recalls: "It was very uncomfortable at first. We went from being apart three out of four weeks, to being together 24 hours a day. We had to learn to communicate. There is no place to hide. If you're angry about something, they probably are too. You need to talk about it." And then there are the traditional male-female roles. They found that it was essential that a division of labour be determined by ability and interest. Says Lillian: "Each partner is doing what he or she does best and likes doing, regardless of old stereotypes. There are no prima donna's here. In a small business all jobs are of equal status -- from floor washing to book work." They also use this philosophy with their employees.

The importance of not being "married to the business" has also been an important lesson. They take regular breaks, such as a weekly afternoon golf game. And they each have separate interests as well. Recognizing the consequences of too much togetherness, Al and Lillian have each taken a month away from the other and the business for personal relaxation and renewal.

Success Factors:

- The personal touch. Their customers are people they care about. Al and Lillian provide assistance as diverse as plumbing advice and family counselling as the need arises.
- Personal confidence. "This is as essential as business confidence. If you don't have business confidence, find a partner who has."
- A family role model. Lillian's father was also self-employed.
- Established relationship of openness with the bank manager. "Don't stay away. They can make a huge difference, if you keep them informed", advises Al.
- Seeking advice. "Talk to people who have been successful. Learn what the trouble spots are."
- Open-mindedness. "Defensive listening, or forming a rebuttal isn't really listening." Lillian gives others her undivided attention.

Beyond the Paycheque:

Lillian and Al Whiteside have built something in which they can take pride, not merely a business, but a way of life that reflects them. They choose their own hours, as well as their own style of working. They relate to their customers in a way that is just right for them. In winter, the cribbage board and coffee pot are poised invitingly next to the cash register. And where else can you get a hug as easily as a loaf of bread? Their advice to you? "Anyone can do what we have done."

III RESULTS OF RESEARCH ON ENTREPRENEURS IN MANITOBA

1. INTRODUCTION

Many books have been written about the practical aspects of being self-employed. They talk about the steps for registering a company, setting up a corporation, keeping books, etc. These publications are useful for individuals who have already decided that self-employment is for them.

But how does a person decide if they are personally suited to an entrepreneurial lifestyle? Is it for you? What factors may influence the success of your business? What satisfaction might you expect? What frustrations?

It was our hope that some of these questions could be answered by other Manitobans who are self-employed. In an attempt to discover these answers, a questionnaire was designed by the Human Development Center and sent to a random sample of self-employed people in Manitoba. The questionnaire was aimed at identifying reasons for starting a business, factors influencing success and the satisfactions and frustrations of being self-employed.

In the covering letter to the questionnaire, people were told that the answers they would give would be used to help others who were exploring self-employment as a career option. Fifty-five women and 45 men responded to the survey. They represent a wide variety of businesses in Manitoba, from rural and urban centres. About half were operating services -- hairdressers, chiropractors, artists, kennel operators and counsellors. The other half were in sales, farming, manufacturing and fishing. Thirty-three were located in a store, 24 in their own homes, 22 in an office and 21 in other types of locations.

The information in this report represents the dreams, joys, concerns and personal successes of the women and men who responded to the survey. It is our hope that their comments on self-employment will be of benefit to you in deciding if self-employment is an option for you.

Technical Information

- Four page survey
- Sent to 600 self-employed Manitobans
- Chosen by random selection with an emphasis on businesses owned by women
- Sent to a variety of businesses from both rural and urban centres
- Questionnaire contained both multiple choice and open-ended questions
- Received 55 from women; 45 from men
- Data computerized at University of Manitoba
- Since 100 people responded, percentage figures and actual numbers are the same

Note: This report is aimed at helping individuals consider the possibility of self-employment. It does not include all the specific analysis of the data. Background data and computer analysis are on file at the Human Development Center.

2. WHY DO PEOPLE START THEIR OWN BUSINESS?

"I liked the idea of being my own boss, naming my own hours and working at my own speed"

In the questionnaire, an open-ended question was asked -- Why did you start your own business? Thirty-eight times the idea of "being my own boss" was mentioned. Some of the individual comments given by the respondents were:

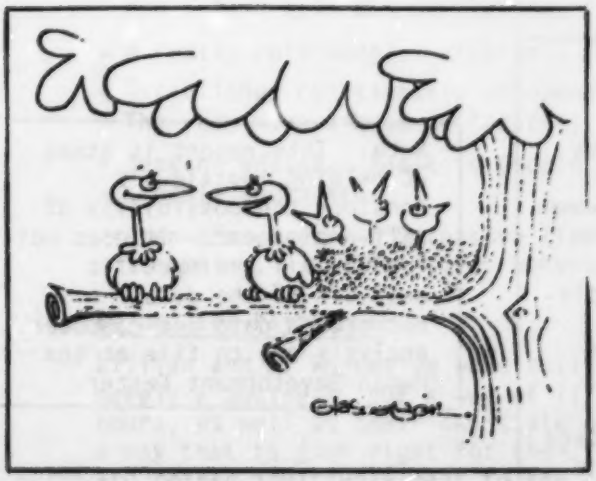
- To be my own boss and prove to myself I could be successful.
- I am best suited to working on my own at my own speed.
- You feel more independent and have no worries about work shortages and layoffs.

The second most cited reason respondents gave for starting their own businesses was "fulfillment of my ambitions" or "meeting a challenge". Typical comments were:

- I have always been successful working for other people and figured I might as well do it for myself. I always felt I could do things better than anyone I worked for.
- I wanted to prove to myself that I could do it my own way.

The third most frequently mentioned response focused on the use of their skills and abilities. Comments were:

- There were not many jobs available when I finished university and after four months of unemployment, I decided that self-employment was preferable.
- I had the necessary qualifications and saw the need for this type of operation. Other jobs were not easily available.



"When these kids grow up and fly away, I'm going to put my skills to good use by founding the world's first nest building service."

New Women

In reviewing the results of the survey, it was noted that a number of these people had turned to self-employment in order to have more control over their working lives. Although many people were not earning a great deal of money, this had not been their stated goal. Rather, it seems that they started their own businesses to gain experience and a feeling of self worth.

* * *

One can never consent to creep, when one has an urge to soar
- Helen Keller

* * *

3. WHAT ARE THE SATISFACTIONS IN BEING SELF-EMPLOYED?

In the latter part of the questionnaire, individuals were asked about the satisfactions of being self-employed. The question was designed to discover what entrepreneurs really like about being self-employed. What aspects do they find most satisfying? Up to three responses per respondent were coded.

Every respondent had something to say about the satisfactions or benefits of self-employment. "Independence/control" was mentioned by far the most frequently. For many, this meant the right to have a say in the decisions that affect the work they do and the way they do it. Some people mentioned that this independence had been sadly lacking in other types of employment they had experienced when working for others.

The second most cited satisfaction was a "feeling of accomplishment and self-fulfillment". These respondents take pleasure in seeing things develop from beginning to end and feel they have the right to succeed or to make their own mistakes -- learn from their experiences.

"Flexibility and variety" of the work/life style of an entrepreneur was the third most cited response.

There was a difference in the responses of women and men to this question. A greater percentage of women (50%) than men (38%) mentioned a "sense of accomplishment". "Flexibility and variety" was cited by 36% of the women as compared to 13% of the men.

From the results of the questionnaire, a comparison was done between the original reason for starting a business and the present "satisfactions". In other words, were these entrepreneurs accomplishing what they had set out to do when they started their own businesses?

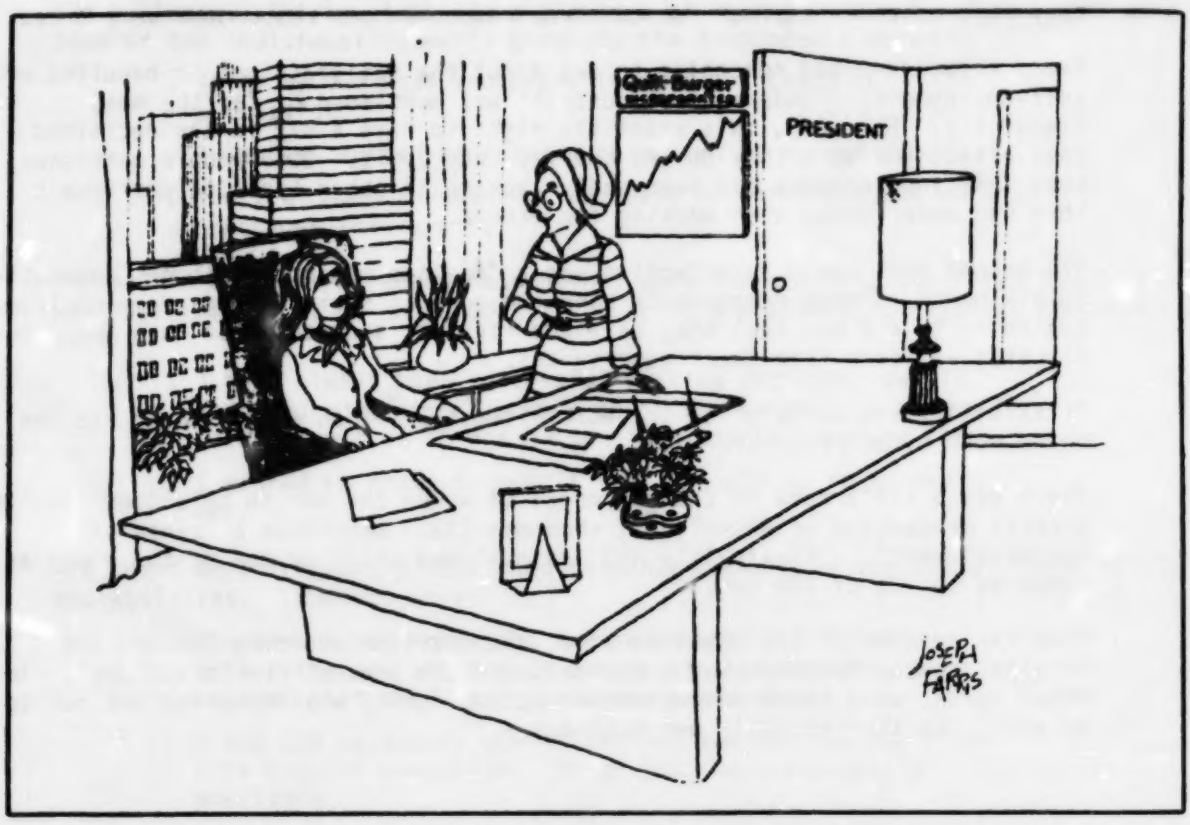
Comparison Between Top Two Reasons for
Starting Own Business and Major Satisfactions

Reasons for Starting	Present Satisfactions
38 Being my Own Boss	68 Independence/Control
22 Fulfillment/Challenge	45 Accomplishment/Self-Fulfillment

Examining the reasons people started their own businesses, we find that independence and self-fulfillment turned out to be an even more important factor than people had originally anticipated. As shown in the above table, twice as many entrepreneurs recognized the value of these factors after having been in business for some time. As one respondent said:

> I control my destiny and have the ability to say, "I did it my way, AND IT WORKED!"

4. WHAT CONTRIBUTES TO THE SUCCESSFUL OPERATION OF A SMALL BUSINESS?



"I used to be a housewife with three kids. Then one morning I woke and said to myself, 'With this kind of experience I ought to open a fast food chain.' "

New Woman

In order to help others consider the factors which are most important in setting up a small business, we asked people in the survey to indicate the extent to which each of 19 factors contributed to their success. The factors could be rated on a scale from 1 to 5 representing "very important" to "very unimportant".

The results are presented on the following page, listed in order of most important to least important.

The Importance of Various Factors to Respondents' Business Success, Rank Ordered: Mean on a 5-Point Scale

	Factor	
Very Important	Positive Attitude	These three were ranked equally
	Commitment	
	Personal Energy	
	Realistic Expectations	
	Encouragement from Living Partner	
	Training/Education	
	Market Demand	
	Patience	
	Low Overhead	
	Contacts	
	Encouragement from Friends	
	Location	
	Low Risk	
Moderately Important to Unimportant	Publicity/Advertising	
	Blessing	
	Luck	

It is interesting to note that four of the highest ranking factors referred to personal motivators. Not one of the respondents rated these factors as unimportant:

Positive Attitude
Commitment
Personal Energy
Realistic Expectations

It was evident that the majority of self-employed people surveyed believed that these personal factors were important assets to them in starting their own businesses. High on the list was also encouragement and support from a living partner (spouse, friend).

Of the next five highest factors, four related to the practical aspects of business and were seen to be necessary ingredients for success:

Training/Education
Market Demand
Patience
Low Overhead
Contacts

Lowest on the list was "Luck" which may help to dispel the notion that people are successful in business merely because they "happen to be at the right place at the right time".

In addition to the factors listed above, this question also assessed how important partners and employees were to the success of the business. Of the 35 who had partners, 27 said their partners were important to their success. Of the 69 people who had employees, 57 said that they were important contributors to the business success.

Taking a good look at the factors contributing to the success of a small business, the top ten are:

Positive Attitude
Commitment
Personal Energy
Realistic Expectations
Encouragement from Living Partner
Training/Education
Market Demand
Patience
Low Overhead
Contacts

Together, these ten highest ranking factors were cited by 100 self-employed Manitobans as the most important contributions to their own personal success in business. For those of you considering self-employment, how many of these would be working in your favour?

* * *

Does an entrepreneur need self-confidence? Only about as much as a fish needs water.

- Sandra Winston
The Entrepreneurial Woman

* * *

5. HOW IS SUCCESS DEFINED?

In order to determine whether or not people feel successful, it was important to find out how they define success. Is it by a traditional definition of wealth, power and fame -- or by some personal definition of their own?

Because we believed that the definition of success may be changing for people, the questionnaire was designed to assess both what individuals see as a traditional definition of success and what they believe is their own definition of success. Two questions were asked to determine people's views on success. The first was "What would you say the traditional definition of success is?" and the second was "What does success mean to you?" Before looking at the results, we would suggest that you pause for a moment and think about your own answers to these questions.

The following table shows the differences between the respondents' personal definition of success and what they consider to be the traditional definition of success. Up to three responses per person were coded.

Measures of Success, Rank Ordered

Measure of Success	Traditional View (no. of responses)	Personal View (no. of responses)
Wealth	48	6
Financial Security	28	45
Status/Fame	20	1
Quality of Work/Product	15	26
Self-Fulfillment	13	52
Judgment of Others	12	16
Balance - Business/Personal	10	34
Power	7	0
Control/Independence	6	20

Overall, respondents' own measures of success are quite different from what they see as society's traditional measures of success. This is most pronounced when considering "wealth", "status" and "power". These three factors were mentioned 75 times to describe traditional views of success and only seven times in assessing personal success.

Conversely, "self-fulfillment" and "balance between personal and business interests" were mentioned 86 times as contributing to a feeling of personal success, but only 23 times as a measure of traditional success.

An attempt was made to explore whether or not self-employed people feel successful, either by the traditional definition of success or their own personal definition. In a self-rating guide, 94% of the entrepreneurs surveyed see themselves as being successful by their own definition. It was interesting to note that 81% also feel successful according to the traditional measures of success.

In other words, although the majority value self-fulfillment and balance highly, a large number also consider themselves successful in terms of wealth and power. In pursuing their own goals and achieving them, many also found themselves successful according to a traditional measure of success.

The completed questionnaires were used to assess whether or not women defined success in a different way than men. Would women more often see balance between work, home and community more frequently than men? From the results, it seemed that women tend to view society's definition of success more in terms of "wealth", "status" and "power". In fact, female respondents mentioned each of these factors twice as often as did males.

In terms of their own personal definition of success, 60% of the women mentioned "self-fulfillment" as being an important part of success. Forty-two percent (42%) of the men mentioned this factor. In other factors, however, there was very little difference between women's definition of success and men's.

The following statements represent some of the individual definitions of personal success by both men and women in the study. The definitions between the men and women were not strikingly dissimilar.

Webster's dictionary defines success as "the gaining of wealth, fame, rank". The following are NEW definitions by men and women entrepreneurs in Manitoba:

New Definitions of Success: Quotes from Entrepreneurs

Male Respondents

- The ability to structure my own ideas and make my own mistakes and triumphs.
- Self-satisfaction - independence - freedom.
- Success means reaching your goal and staying there.
- To do what I want, for whom I want, when I want.
- Being happy and financially well off.
- A feeling of worth. Useful to have around and fit into the pattern of life. To earn a living for myself and my family. Happy family in main and spiritual well being.
- Moderate income - happy family life - few or no debts - good health.
- Creating an environment which is secure to you and your family.
- Recognition of skill in my craft and reasonable remuneration.
- Growth, financial security, leisure time, enjoy work, comfortable with self.
- Ability to pay bills - be home with friends and family, take part in community affairs and be accepted as a person.

Female Respondents

- Maximizing one's own potential all the time in all sectors -- money, education, knowledge. Self actualization.
- Self-supporting - paying own way, making own decisions - providing a good product/service.
- Ability to achieve set goals.
- Making enough to keep a decent roof over my head, clothes on my back, eating well. Taking vacations. Doing my own thing without brown nosing.
- Doing something and seeing good results. Make people happy and be happy.
- I'm being well paid for something I enjoy doing; something I do well. I work my own hours - my family does not suffer because of my need for a profession.
- Satisfaction that I am doing the best with what I have.
- Satisfied clientele. Repeat orders. Good fellowship.
- Love, care, fun, happiness and an interesting life.
- Making a good living.
- Ability to develop other areas of my life that automatically tend to be neglected, e.g. religious, quality time with family.
- Success means to me that I am happy doing the work I do. I can arrange my time around my family activities and make money according to the effort that I put into my work.

* * *

I don't know the key
to success, but
the key to failure is
trying to please
everyone.
- Bill Cosby

* * *

6. THE CHALLENGES OF SELF-EMPLOYMENT

All jobs have both satisfactions and frustrations; being self-employed is no exception. However, the frustrations related to entrepreneurship seemed to differ substantially from regular employment. The major frustrations listed by the respondents to the survey were:

Time demands	Long hours
Cash flow	High interest rates
Government regulation	Lack of security
Paperwork	Difficulty keeping up energy and morale

In examining the responses to this question by male and female entrepreneurs, there were significant differences. Almost 30% of the men mentioned government regulations as a source of frustration, while only 10% of the women gave this response. Sixteen percent (16%) of the women stated "difficulty in keeping up energy and morale", while only 4% of the men mentioned this reason as a factor.

Some typical frustrations mentioned were:

> "Not having a regular payday"
>
> "Structuring my time - setting and sticking to priorities. The uncertain income and the isolation of working alone"
>
> "Not enough hours in the day; the highs and lows - keeping a positive mental attitude"
>
> "Deadlines I can't come "home" from. I'm always faced with all the hassles. It's not an uncomplicated life-style by any means."

Three of the respondents said that they experienced no frustrations with self-employment. On the other hand (as was mentioned previously), every respondent had something to say about the satisfactions of self-employment.

"Dear, when are you going to get over this silly phase and come back to being a housewife?"
New Woman

* * *

"If you want your place in the sun, you've got to put up with a few blisters."
- Abigail VanBuren better known as Dear Abby

* * *

7. FAMILIES: ARE THEY A HELP OR A HINDRANCE?

Some people who consider starting their own business are concerned about how it will affect their family life. Will they have more or less time with their children? Several questions in the survey were related to the effects of children on the ability to run a business. (Almost half of the respondents were supporting children. Only 10 of the 100 people surveyed had children under the age of five.)

In the questionnaire, people were asked "If you have children in your care, how does this affect your ability to operate your business?"

Of the 41 who commented on this question:

- 10 said it has no effect
- 9 said their children are in day care and made some comments about difficulties with day care and sitters
- 9 stated that the care of children makes their lives very complicated
- 8 stated that their children are an asset because they help out
- 7 said childcare problems are reduced because of the added flexibility

In other words, there was a wide variety of responses to this question; no consistent pattern emerged in the answers. Some find that the combination of home and work is easier being self-employed:

> "Our lunch hours are such that we're at home at lunch and close enough to be available if needed."
>
> "It's much easier being self-employed -- I can take time to respond to my children."

Others find it more difficult:

> "Makes it very complicated re: childcare, extra curricular activities, car pools, seeing enough of them, having enough energy for quality work and parenting."
>
> "It adds stress re: scheduling meetings - finding time to spend with my son."

It appeared from the responses to the questionnaire that some people had found the right balance for themselves and that the flexibility of being self-employed enhanced their personal lifestyle. Others found that self-employment was so demanding that it added to the range of demands and pressures that they were already feeling.

There seems to be no clear answer to the effect of children on self-employment. Each individual seemed to handle this balance in their own unique way. How would self-employment positively or negatively affect the balance in your life?

8. HOW MANY HOURS ARE WORKED BY ENTREPRENEURS?

The survey showed that the majority (62%) of self-employed people worked more than the legislated eight-hour day. Of these, over 20% worked more than sixty hours a week.

On the other hand, the majority of those pooled found the hours more flexible than other types of jobs. In fact, flexibility was mentioned as the third highest ranking satisfaction by all the respondents -- and was mentioned by 38% of the women as a major satisfaction.

Average Hours Worked Per Week

	#
0 - 15 hrs.	5
16 - 30	11
31 - 45	27
46 - 60	33
61+	23
No answer	1
	100

HOW MUCH DO ENTREPRENEURS EARN?

From the responses received from the survey, only 6 people were in the over $50,000 bracket; 33 earned less than $10,000. The majority of respondents earned between $10,000 and $29,000 per annum.

Approximate Yearly Earnings

	#
less than $10,000	33
$10,000 - 29,999	43
$30,000 - 49,999	13
over $50,000	6
No answer	5
	100

9. WHAT DOES IT COST TO START A SMALL BUSINESS? IS A LARGE INVESTMENT NEEDED?

A popular myth of many people today is that a would-be entrepreneur must have loads of money to get started. Not so, say the respondents to the survey. In the majority of cases, initial outlay was modest as indicated in the following table:

Amount Originally Invested

Total Amount Invested	# of Responses
under $1,000	27
$1,000 - 5,000	28
$5,000 - 10,000	12
$10,000 - 30,000	17
More than $30,000	12
No answer	4
	100

Over half of the self-employed people surveyed (55%) indicated that their initial investment was less than $5,000. Only 12% had invested more than $30,000.

The majority of those responding indicated start-up capital was drawn from personal savings (65%) or bank loans (44%) as shown below:

Sources of Capital for Original Investment

Source	# of Responses *
Personal savings	65
Bank loan	44
Loan from relatives/friends	20
Government grant	4
Sale of stock	4
Windfall (won at races, whiplash settlement)	4
Mortgaged home	2
	143

* Respondents often checked more than one source of investment.

It appears that, in the majority of cases, limited capital did not hamper the respondents from obtaining their goal of becoming self-employed. Is a misconception about the amount of money required holding you back from exploring a new business venture?

10. HOW IMPORTANT IS FAMILY BACKGROUND?

For some people starting their own business, it is often a very new experience -- they have no family or friends to serve as role models, demonstrating the fact that self-employment is a viable employment option. The majority of role models for many of us come from the jobs we see most often, such as teachers, nurses, government employees, store clerks -- all people working for someone else. How important to self-employment is the memory of an entrepreneurial role model?

A majority (60%) of the respondents indicated that they had grown up in a family where one or both parents were self-employed. Does this mean that people from non-entrepreneurial backgrounds wouldn't stand a chance in the world of self-employment? That's highly unlikely. It's more likely that growing up in a family where people worked for themselves allowed these respondents to see a career option that may not have occurred to many other people.

Not only the employment of the parents had a strong influence on entrepreneurs, the family social values had a significant impact as well. Approximately 88% of the people polled acknowledged family traits and values, such as independence, self-worth and hard work, as contributing to their decision towards self-employment.

Although these values were expressed in different ways, the most prominent theme concerned family values which encouraged self-confidence and self-reliance:

> "We were always encouraged to make something of ourselves; to use our knowledge and education to help humanity."

> "I was brought up to believe that you can't depend on others to find your happiness. You have to do it yourself."

> "I was encouraged to take control and realize my dreams."

11. CONCLUSION

Do people really enjoy being self-employed, despite the long hours and the insecurity? To get a reading on this, the final question on the survey asked, "If you had a job offer which would allow you to make the same amount of money in the same field working for someone else, do you think you would accept?" Responses were:

No:	84
Yes:	9
Maybe:	5

By far, the majority of self-employed people covered in this study enjoy being Manitoba entrepreneurs. The people who answered the survey said that they have more control over their work and personal life and feel a great sense of accomplishment for the things they do.

The entrepreneurs who helped in this survey said, for the most part, that they started their own business to achieve a sense of personal fulfillment. Most of them feel successful, both by their personal definition and by a traditional definition of success.

The rewards are primarily independence, accomplishment and flexibility. The frustrations are long hours and insecurity.

Some of you may be considering self-employment. The advice of others may help you in making that decision. Our results indicate that if you have a vision of what you want, it is possible to realize that dream in whatever way you find best for you.

* * *

There is only so much you can learn about skydiving from standing on the ground.

- Joyce Maynard as quoted in "The Entrepreneurial Woman" by Sandra Winston

* * *

IV STEPS TO STARTING YOUR OWN BUSINESS IN MANITOBA

1. Take some time to think about the things you enjoy. What are your unique strengths? Also, what do you not like to do? For example, if mathematics was never your strength, you may want to stay away from starting an Income Tax Preparation Business!

2. Read everything you can on starting a small business. A list of publications is attached in this report. More information can be obtained from the Small Business Centre (Province of Manitoba) at 944-7738 or the Federal Business Development Bank, 943-8581. They also offer short courses in various aspects of business management at a low cost.

3. Decide on the type of business you would like to pursue -- one you think there is a need for. Keep your investment small until you've had a chance to test the market. Will you be offering a service, or will you be selling goods? Perhaps you would prefer manufacturing on a small scale?

4. Decide on a location. Can you work out of your home? Do you need an office or a store front?

5. Register your company with the Provincial Companies Branch, Business Name Registration, at 205 Broadway. Initial registration is $5. A search is then done by them to be sure that no one else is using that name -- and then it costs $15 to register that name for the use of your business.

6. Get business cards printed up, stationery, envelopes (use a Post Office box until you have settled on a location).

7. Should you be a sole proprietor, a partnership or an incorporated company? Some people prefer to be the sole owner of a business, others prefer to work with someone else or a group of people. What style is right for you? As a sole owner or a partnership, you can be incorporated or unincorporated.

   (a) The major advantage to incorporation is that you personally are not liable for any lawsuits against the company or loans that the company takes out. Someone can only sue for the assets of the company. In any event, most lending institutions insist that people personally guarantee loans, so that public liability is the only advantage (although there can be some tax advantages). Incorporation usually requires a lawyer and can be expensive.

   (b) The company can also operate without being incorporated. The business is registered as in Step 6. This route is easy and cheap. However, if there is a good possibility of liability suits, incorporation or liability insurance is recommended.

8. For some businesses, a City of Winnipeg or local town Business Licence is required (Winnipeg 946-0431). For people making or serving food, certain health regulations are required to be observed so check with all three levels of government.

9. Buy a set of ledger books. If you feel comfortable keeping your own books, do it. If not, hire an accountant. KEEP ALL YOUR CHEQUES AND RECEIPTS.

10. If you want to hire employees, check out record-keeping requirements with Revenue Canada, 949-6350.

11. If you're selling a product, you will need a sales tax number. Call 944-6444.

12. As you talk to others about setting up your business, you may find other suggestions along the way -- but these steps will point you in the right direction.

NOW IT'S TIME TO LET OTHERS KNOW ABOUT
THE WONDERFUL PRODUCT OR SERVICE YOU HAVE TO OFFER

V BOOKS AVAILABLE ON SELF-EMPLOYMENT

Books Available from the Winnipeg Public Library

1. Mind Your Own Business, Be Your Own Boss: Every Woman's Guide to Starting a Business and Succeeding, Maridee Winter, Waxwing Productions, 1980. Call No. 658.11.

2. Small Business Ideas for Women and How to Get Started!, Terri Hilton, Pilot Books, 1975. Call No. 658.022.

3. Small Business Survival Guide, Joseph Mancusco, Prentice Hall - Spectrum, 1980. Call No. 658.022072.
   1. Small Business - Information Service

4. The Entrepreneur - Twelve Who Took Risks and Succeeded, R. L. Shook, Harper & Row, 1980. Call No. 338.040922.
   1. Business - U.S. Biography
   2. Women in Business - U.S. Biography - Mary Hudson, Mary Kay
   3. Entrepreneurs

5. The Women's Guide to Starting a Business, Claudia Jessup, Holt, Richard and Winston, 1976. Call No. 658.11.

6. Time is Money: a guide to selling your professional services, Richard Creedy, Dutton, 1980. Call No. 658.041.
   1. Self-employed
   2. Professions
   3. Business Consultants
   4. Small Business

7. Women and the Business Game, Charlotte Taylor, Cornerstone Library, 1980. Call No. 658.1141.
   1. Strategies for Successful Ownership
   2. Women in Business

8. Women Like Me: The Women's Business Directory, Southern Ontario, Karen Fraser, Belsten, 1982. Call No. 331.4025.
   1. Women Owned Enterprises
   2. Women in Business - Ontario - Toronto Region - Directories
   3. Toronto Region (Ont.) - Commerce - Directories

Books Available From Local Book Stores

1. Enterprising Women, Carolyn Bird, Signet - Mentor Books, 1976, Coles Bookstore.

2. Entrepreneuring, The Ten Commandments for Building a Growth Company, Steven C. Brandt. New American Library, 1982, Coles Bookstore.

3. How to Start and Manage Your Own Business, Gardiner G. Greene, New American Library, 1975, Coles Bookstore.

4. Minding My Own Business: Entrepreneurial Women Share Their Secrets, Marjorie McVicar, Playboy Paperbacks, 1981, Classic Bookshop.

5. Minding Your Own Business, Be Your Own Boss, Maridee Winter, Waxwing Production Ltd. 1980, Classic Bookshop.

6. 184 Businesses Anyone Can Start and Make a Lot of Money, Chase Revel, Banton Books, 1981, Coles Bookstore.

7. Running Your Own Show, Mastering the Basics of Small Business, R. T. Curton, New American Library, 1982, Coles Bookstores.

8. The Entrepreneurial Woman, Sandra Winston, Banton Books, 1980.

9. Women Making It, Ruth Halcomb, G. K. Hall, 1979, W. H. Smith Bookstore.

10. Minding Your Own Business, Federal Business Development Bank, 1983, or Books & Volumes Bookstore, Southwood Plaza.

11. Maverick succeeding as a free-lance entrepreneur, Geoffrey Bailey, Lester and Orphen Dennys, 1983. (Holy McNally Booksellers).

12. Open and Operate Your Own Small Business, Mike Cantor, Prentice-Hall, 1983. (Holy McNally Booksellers).

POOR

QUALITY

ORIGINAL